

**GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA**

UNSTARRED QUESTION NO:6030
ANSWERED ON:26.04.2001
CAG REPORT ON ON-GOING PROJECTS
PRABHUNATH SINGH

Will the Minister of RAILWAYS be pleased to state:

(a) the points raised by the Comptroller and Auditor General in their report No. 9 of 2000 (Railways) regarding on-going works/projects of Railways and the reaction of the Railways thereon; and

(b) the steps taken by the Railways to complete the projects costing over Rs. 39,300 crore being reflected in the white paper prepared by them in July 1998 ?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH)

(a) & (b) : A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) & (b) OF LOKSABHA UNSTARRED QUESTION NO. 6030 BY SH PRABHUNATH SINGH TO BE ANSWERED ON 26.04.2001 REGARDING CAG REPORT ON ON-GOING PROJECTS

(a) Following main points were raised by the Comptroller and Auditor General in their report No. 9 of 2000 (Railways) regarding on-going works/projects of Railways and the reaction of the Railways:-

(i) While only 322 works were completed during 1992-93 to 1996-97, a fresh shelf of 1847 new works, costing nearly Rs. 22900 crores, was created during the period.

(ii) Many of these works had to be frozen/slowed down, largely due to shortage of funds.

(iii) Railways often were starting work under urgency certificate (32 out of these 235, estimated cost Rs. 2455 crores) when there was no urgency. This was only to avoid prior sanction.

(iv) A large percentage of these works was financially not viable.

(v) Overall, there was substantial under provisioning leading to slow execution.

(vi) Railways did not make adequate provision even for the standard track renewal works which were to be undertaken year to year.

(b) Railways have a huge shelf of New Line and Gauge Conversion projects viz. Rs. 22000 Crores and Rs. 9000 Crores respectively. At the present rate of funding it will take several decades to complete these projects. This shelf of projects also results in thin spread of resources.

In order to tide over these problems, Railways have prioritised all New Line and Gauge Conversion projects on the basis of their physical progress, operational importance, national and strategic significance and social desirability. This prioritisation will assist in making the fund allocation exercise more focused.

In order to augment the resource base, which is expected to result in more effective implementation of projects, Railways have taken the following steps:-

(i) Obtain increased Budgetary Support from the General Exchequer.

(ii) Tap non-traditional sources of revenue, e.g. commercial utilization of land, leasing of right of way for laying Optical Fibre Cables, commercial publicity, etc.

(iii) Arrange financial participation of State Governments/Private Sector organizations for implementation of specific projects.